

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

PROMISE HEALTHCARE GROUP, LLC, *et al.*,

Debtors.¹

ROBERT MICHAELSON OF ADVISORY
TRUST GROUP, LLC, IN HIS CAPACITY AS
LIQUIDATING TRUSTEE,

Plaintiff/Counter-Defendant,

v.

KPC PROMISE HEALTHCARE, LLC and
STRATEGIC GLOBAL MANAGEMENT, INC.,

Defendants/Counter-Claimants.

Chapter 11

Case No. 18-12491 (CSS)

(Jointly Administered)

Re: Docket Nos. 2160, 2218, 2234, 2270

Adv. Proc. No. 19-50776 (CSS)

Re: Adv. Docket Nos. 46, 80, 85

JOINT STIPULATION REGARDING APPOINTMENT OF A MEDIATOR

WHEREAS, on August 11, 2020, this Court entered a Scheduling Order [AP Dkt. No. 46²]
in the above-captioned adversary proceeding (the “*Adversary Proceeding*”).

¹ The Debtors in these Chapter 11 cases, together with the last four digits of each Debtor’s federal tax identification number, are as follows: HLP HealthCare, Inc. (8381), PH-ELA, Inc. (9180), Professional Rehabilitation Hospital, L.L.C. (5340), Promise Healthcare #2, Inc. (1913), Promise Healthcare Group, LLC (1895), Promise Healthcare Holdings, Inc. (2601), Bossier Land Acquisition Corp. (6644), HLP of Los Angeles, LLC (9102), HLP of Shreveport, Inc. (1708), HLP Properties at The Villages Holdings, LLC (0006), HLP Properties at the Villages, L.L.C. (1938), HLP Properties of Vidalia, LLC (4255), HLP Properties, Inc. (0068), Promise Healthcare of California, Inc. (9179), Promise Healthcare, Inc. (7953), Promise Hospital of Ascension, Inc. (9219), Promise Hospital of Baton Rouge, Inc. (8831), Promise Hospital of Dade, Inc. (7837), Promise Hospital of Dallas, Inc. (0240), Promise Hospital of East Los Angeles, L.P. (4671), Promise Hospital of Florida at The Villages, Inc. (2171), Promise Hospital of Louisiana, Inc. (4886), Promise Hospital of Lee, Inc. (8552), Promise Hospital of Overland Park, Inc. (5562), Promise Hospital of Phoenix, Inc. (1318), Promise Hospital of Salt Lake, Inc. (0659), Promise Hospital of Vicksburg, Inc. (2834), Promise Hospital of Wichita Falls, Inc. (4104), Promise Properties of Dade, Inc. (1592), Promise Properties of Lee, Inc. (9065), Promise Properties of Shreveport, LLC (9057), Promise Skilled Nursing Facility of Overland Park, Inc. (5752), Promise Skilled Nursing Facility of Wichita Falls, Inc. (1791), Quantum Health, Inc. (4298), Quantum Properties, L.P. (8203), St. Alexius Hospital Corporation #1 (2766), St. Alexius Properties, LLC (4610), Success Healthcare 1, LLC (6535), Success Healthcare 2, LLC (8861), Success Healthcare, LLC (1604), Vidalia Real Estate Partners, LLC (4947), LH Acquisition, LLC (2328), Promise Behavioral Health Hospital of Shreveport, Inc. (1823), Promise Rejuvenation Centers, Inc. (7301), Promise Rejuvenation Center at the Villages, Inc. (7529), and PHG Technology Development and Services Company, Inc. (7766).

² Hereinafter, references to pleadings filed in the Adversary Proceeding will be in the form of “AP Dkt. ___”, and references to pleadings filed in the Debtors’ Chapter 11 Cases will be in the form of “Case Dkt. ___”.

WHEREAS, on December 14, 2020, this Court entered an Amended Scheduling Order [AP Dkt. No. 80] in the Adversary Proceeding.

WHEREAS, the Parties are currently engaged in fact discovery pursuant to the terms of the Amended Scheduling Order.

WHEREAS, under Paragraph 6 of the Amended Scheduling Order, the Parties shall file a Stipulation Regarding Appointment of a Mediator or a statement that the Parties cannot agree on a mediator and a request that the Court select and appoint a mediator to the Adversary Proceeding by January 8, 2020.

WHEREAS, by Joint Stipulation [AP Dkt. No. 85], the Parties agreed to modify the Amended Scheduling Order extending the Mediator Selection Deadline in Paragraph 6 of the Amended Scheduling Order to January 15, 2021.

WHEREAS, the Parties have met and conferred and agreed on the appointment of Kevin Gross of Richards, Layton & Finger, P.A as mediator for the Adversary Proceeding, subject to Mr. Gross's engagement clearing conflicts with the Parties and their respective counsel.

WHEREAS, in the interest of judicial efficiency, the Parties have agreed that in addition to the claims in the Adversary Proceeding, they will also mediate the issues raised in the *Motion for (1) Allowance and Payment of Administrative Claim of KPC Promise Hospital of Wichita Falls, LLC, and (2) Estimation and Establishment of a Reserve for Payment of Administrative Claims of KPC Promise Hospital of Overland Park, LLC and KPC Promise Hospital of Dallas, LLC* (the "***Administrative Claims Motion***" and the entities seeking relief, the "***Movants***"). [Case Dkt. No 2160].

THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between counsel for Plaintiff and counsel for Defendants and Movants, subject to the approval of the Court, that:

a) The Parties have agreed on the appointment of Kevin Gross of Richards, Layton & Finger, P.A to serve as the mediator in the Adversary Proceeding and with respect to the

Administrative Claims Motion, subject to Mr. Gross's engagement clearing conflicts with the Parties and their respective counsel;

b) In the event that Mr. Gross is unable to serve as the mediator, the Parties will notify this Court and meet and confer on the selection of an alternative mediator;

c) The hearing scheduled for February 1, 2021 on the Administrative Claims Motion shall be continued pending completion of the Parties' mediation; and

d) The Parties will set a mediation date consistent with the terms of the Amended Scheduling Order or as may be agreed by joint stipulation of the Parties, and the mediation shall be conducted in accordance with the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

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Dated: January 15, 2021

Respectfully Submitted,

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